



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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M/037/040

October 26, 1994

TO: BOND FILE M/037/040

FROM: Anthony A. Gallegos, Senior Reclamation Specialist *aa*

RE: Bond Release, U.S. Energy Corporation, Velvet Mine M/037/040, San Juan County, Utah

The current operations at the Velvet Mine involve disturbances on federal lands. The present bond being held by the Division does not jointly list the BLM. Under the current MOU between the BLM and the Division, the Division may hold bonds for mine operations involving BLM lands. *The bond for the Velvet Mine is not to be released or reduced by the Division without prior written consent from the the BLM San Juan Resource Area.*

jb

cc: Ted McDougall, BLM San Juan RA
Kenneth Webber, U.S. Energy Corporation
M37-40SR.REL